

NOTICES OF FINAL RULEMAKING

The Administrative Procedure Act requires the publication of the final rules of the state's agencies. Final rules are those which have appeared in the *Register* first as proposed rules and have been through the formal rulemaking process including approval by the Governor's Regulatory Review Council. The Secretary of State shall publish the notice along with the Preamble and the full text in the next available issue of the *Register* after the final rules have been submitted for filing and publication.

NOTICE OF FINAL RULEMAKING

TITLE 2. ADMINISTRATION

CHAPTER 10. RISK MANAGEMENT SERVICES SECTION

PREAMBLE

1. Sections Affected

Rulemaking Action

R2-10-101	Amend
R2-10-102	Amend
R2-10-103	Amend
R2-10-104	Amend
R2-10-105	Amend
R2-10-106	Amend
R2-10-107	Amend
R2-10-108	Amend
R2-10-109	New Section
R2-10-201	Amend
R2-10-202	Amend
R2-10-203	Amend
R2-10-204	Amend
R2-10-205	Amend
R2-10-206	Amend
R2-10-207	Amend

2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):

Authorizing statutes: A.R.S. §§ 41-621(Q), and 41-623(A)

Implementing statutes: A.R.S. §§ 41-621 and 41-623

3. The effective date of the rules:

April 20, 2000

4. A list of all previous notices concerning the rules:

Notice of Rulemaking Docket Opening: 4 A.A.R. 331, January 30, 1998

Notice of Proposed Rulemaking: 5 A.A.R. 1346, May 14, 1999

5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

Name: John Kindree
Address: Risk Management
1818 West Adams
Phoenix, Arizona 85007
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6. An explanation of the rule, including the agency's reasons for initiating the rule:

R2-10-101 defines terms used in Title 2, Chapter 10 of the Arizona Administrative Code. R2-10-102 through R2-10-108 contain the provisions for coverage of property and liability claims covered by Risk Management under A.R.S. §

41-621. A new Section, R2-10-109, contains provisions for computation of time periods prescribed or allowed in this Chapter. R2-10-201 through R2-10-207 contain requirements for risk management and loss prevention programs in all state agencies, boards, and commissions. As a result of recommendations made in the Five-Year Review Report, the rules have been amended to improve the clarity, conciseness, and understandability for those who are required to comply with the rules. Definitions were added and updated, and language was brought into conformity with the style of G.R.R.C. and the Office of the Secretary of State. Amendments further clarify the reporting requirements and time-frames for filing property and liability claims. The requirements for and explanation of loss prevention programs have been updated to reflect current practices in the State's Risk Management Program. Existing incorporations by reference have been updated to provide the most current published information.

7. A reference to any study that the agency proposes to rely on in its evaluation or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, and analysis of the study and other supporting material.

Not applicable

8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

9. The summary of the economic, small business, and consumer impact:

The rules do not impact small business or consumers. There are loss prevention program requirements that may require additional resources from state agencies, but in the interest of improving health and safety, these additional resources are necessary to carry out the intent of the program. When it is feasible, Risk Management will provide support to the agencies to minimize the cost of the programs while ensuring the integrity of the effort.

10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable).

The following 3 subsections of the proposed rules have been revised in the final rule as marked below.

a. R2-10-101(6): The definition of "Confined Space" has been incorporated by reference to 29 CFR part 1910, Occupational Safety and Health Standards for General Industry.

b. R2-10-105(A)(1) extends the time period for reporting an employment discrimination claim from 1 day to 7 days.

c. R2-10-106(C): The proposed exclusion of animals and insects for research or experimentation has been withdrawn.

d. R2-10-207(12)(g) requires agencies to train employees in van safety in both classroom and behind the wheel experience. R2-10-207(13) applies to construction sites where state employees are performing work.

11. A summary of the principal comments received and the agency response to them:

The Department received written comments from the University of Arizona and Arizona State University. Both institutions had similar comments on the following: The definition of "Confined Space" was not identical to the OSHA and ADOSH regulations. The Department changed the definition to incorporate by reference the OSHA regulation. The Universities questioned the one-day reporting requirement for Employment Discrimination claims as burdensome to the agency. The Department revised the reporting requirement to seven days. Both Universities do extensive research with animals and insects, and were concerned about the exclusion of these from the state's property coverage. The Department will include the coverage for animals and insects and it will also be included in the excess property coverage purchased by the Department. The exclusion is withdrawn. The Universities were concerned that the specific requirements of Section R2-10-207 could be burdensome and unnecessary. The Department had previously added the phrase "as applicable to their agency" in the rule, allowing for any necessary deviation from the specific components of the Section.

12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

13. Incorporation by reference and their location in the rules:

29 CFR 1910.146 (b), Subsection 101(6)

With amendments as of February 1, 1998

14. Was this rule previously adopted as an emergency rule? If so, please indicate the Register citation:

No

15. The full text of the rules as follows:

TITLE 2. ADMINISTRATION

**CHAPTER 10. DEPARTMENT OF ADMINISTRATION
RISK MANAGEMENT SERVICES SECTION**

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ARTICLE 1. COVERAGE AND CLAIMS PROCEDURE

Section

- R2-10-101. Definitions
- R2-10-102. Reporting Procedures
- R2-10-103. Liability Claim Procedures
- R2-10-104. Self-Insured Property Claim Procedures
- R2-10-105. Employment Discrimination Claim Procedures
- R2-10-106. State-Owned Property ~~Coverages~~ Coverage and Limitations
- R2-10-107. Liability ~~Coverages~~ Coverage and Limitations
- R2-10-108. Deductibles and Waivers
- R2-10-109. Computation of Time

ARTICLE 2. LOSS PREVENTION

Section

- R2-10-201. Submission of Building Plans
- R2-10-202. Purchase of Specialized Hazard Control ~~Personal Property~~ Equipment
- R2-10-203. ~~Reporting of Hazards~~ Hazard Reporting
- R2-10-204. ~~Recommendations for Hazard Control~~ RM Loss Prevention Consultative Services
- R2-10-205. Development and Implementation of Agency Loss ~~Control~~ Prevention Programs
- R2-10-206. Agency Loss Control Prevention Program Management
- R2-10-207. ~~Mandatory Agency Loss Control Prevention~~ Program Elements

ARTICLE 1. COVERAGE AND CLAIMS PROCEDURE

R2-10-101. Definitions.

The following definitions ~~shall~~ apply for purposes of ~~in~~ this Chapter unless the context otherwise requires:

1. "Agency" means ~~each~~ a state department, board, ~~and~~ or commission.
2. "Agency loss ~~control~~ prevention committee" means a panel of individuals established by the head of an agency to develop and oversee the agency's loss ~~control~~ prevention program.
3. "Agency loss ~~control~~ prevention coordinator" means an individual chosen by the head of an agency to implement ~~an~~ the agency's loss ~~control~~ prevention program and ~~that is an~~ the agency's liaison with Risk Management.
4. "Attorney General's office" means specifically the Liability Management Section ~~department~~ of the Attorney General's office assigned to defend ~~Risk Management covered~~ claims: covered by A.R.S. § 41-621
5. "Client" means an individual in custodial care of a provider who has a custodial relationship through contract or court order with a state agency, ~~who is in the care, custody, and control of a provider, and who is receiving services through 1 of the 4 programs listed in A.R.S. § 41-621(B).~~
6. "Confined space" means a space which by design has:
 - a. ~~Limited openings for entry and exit;~~
 - b. ~~Unfavorable natural ventilation that may contain or produce air contaminants; and~~
 - c. ~~Not been intended for continuous employee occupancy. Confined spaces include, but are not limited to, storage tanks, process vessels, pits, silos, vats, degreasers, reaction vessels, boilers ventilation and exhaust ducts, sewers, tunnels, underground utility vaults, and pipelines.~~
6. "Confined space" has the meaning of 29 CFR 1910.146(b) Occupational Safety and Health Standards for General Industry, The Industrial Commission of Arizona, Division of Occupational Safety and Health, February 1, 1998, which is incorporated by reference in this rule. This incorporation by reference does not include any later amendments or editions. Copies of the incorporation by reference are available for inspection at the Industrial Commission of Arizona, 800 West Washington, Phoenix, Arizona and in the Office of the Secretary of State, Public Service Department, 1700 West Washington, Phoenix, Arizona.
7. "Contaminant" means a substance that is radioactive, infectious, carcinogenic, toxic, irritant, corrosive, sensitizer or an agent that damages the lungs, skin, eyes, mucous membranes, and other body organs.
- ~~7-8.~~ "Deductible" means the amount of a loss that the agency will pay before Risk Management is obligated to pay anything.
9. "Department" means the Department of Administration, an agency of the State of Arizona.
- ~~8-10.~~ "Emergency" means an immediate or imminent health threat.
- ~~9-11.~~ "Environment" means navigable waters, ~~any other~~ surface waters, groundwater, drinking water supply, land surface or subsurface strata, ~~or~~ and ambient air, within or bordering on this state.
- ~~10-12.~~ "Environmental contractor" means a company ~~or corporation~~ hired by the state to conduct environmental site investigations and ~~or~~ remediation work.

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- 11.13. "Environmental property claim" means a demand for payment resulting from chemical or biological damage to the environment, navigable water, any other surface waters, groundwater, drinking water supply, land surface, or sub-surface strata or ambient air, within or bordering on this state.
- 12.14. "Ergonomics" means the study of the interactions, both physical and behavioral, between people and their total working environment including all tools and equipment in the workplace and the stresses related to such environmental elements as atmosphere, heat, light, and sound. "Ergonomics" means a science of the relationship between human capability and the work environment, which the Department uses to design a job, task, equipment or tool to conform comfortably within the limits of human capability.
- 13.15. "Feasibility study" means taking the findings of the site investigation and developing a recommended a remediation plan based upon a site investigation to clean up a the contaminated site by an environmental contractor.
- 14.16. "Geophysical survey" means a radar, magnetic, electric, gravity, thermal, or seismic survey.
- 15.17. "Groundwater" means water beneath the ground in sediments or permeable bedrock.
- 16.18. "Hazardous substance/waste" means any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant, or air pollution control facility, or other discarded materials, including solid, liquid, semisolid, or contained gaseous material, resulting from industrial, commercial, mining, and agricultural operations or from community activities which because of its quantity, concentration of physical, chemical or infectious characteristics, may cause or significantly contribute to an increase in mortality or an increase serious irreversible or incapacitating reversible illness or pose a substantial present or potential hazard to human health or the environment if improperly treated, stored, transported, disposed of, or otherwise managed or any waste identified as hazardous pursuant to A.R.S. § 49-922. "Hazardous substance or waste" means hazardous waste as defined in A.R.S. § 49-921(5).
- 17.19. "Health threat" means a material for which there is statistical evidence that acute or chronic effects may occur in persons exposed. This evidence shall be based on at least one study conducted by the National Institute of Occupational Safety and Health or the Environmental Protection Agency in accordance with established scientific principles. The term "Health threat" includes materials which are radioactive, infectious, carcinogenic, toxic, irritants, corrosive, sensitizers, and agents which damage the lungs, skin, eyes, mucous membranes, and other body organs. "Health threat" means evidence that exposure to a specific type and concentration of contaminant is harmful to human health. This evidence shall be based on at least 1 study conducted by the National Institute of Occupational Safety and Health or the Environmental Protection Agency in accordance with established scientific principles.
- 18.20. "Incident" means an occurrence or event involving an agency personnel employee, facility, facilities or equipment which that results in an occupational injury or illness, personal injury, or loss of or damage to state property or an occurrence or event involving the public that exposes the state to a liability loss.
- 19.21. "Loss control prevention" means any action or plan intended to reduce the frequency and/or severity of property, liability, or worker's compensation losses.
22. "Passenger van" means any motor vehicle designed, modified, or otherwise capable of being configured to carry not less than 8 passengers and no more than 15 passengers.
- 20.23. "Personal protective equipment" means any clothing, material, device, or equipment worn to protect a person from exposure to or contact with, any harmful material or force.
- 21.24. "Provider" means those individual providers who are licensed to provide services to clients of the State of Arizona, as outlined in A.R.S. § 41-621(B), and who are not required by the terms of their contract with the State to indemnify and hold harmless the State. "Provider" means an individual or entity licensed to provide services to state clients as outlined in A.R.S. § 41-621(B), that is not contractually required to indemnify and hold the state harmless.
- 22.25. "Remedial action" or "remediation" means the process of cleaning up a hazardous substance or waste site by an environmental contractor.
- 23.26. "Risk Manager" means the Risk Manager Administrator for the State Risk Management Program.
- 24.27. "Risk Management" or "RM" means the State Risk Management Program.
- 25.28. "Self insurance" means the state government and its employees are not covered against loss by private insurance but losses are funded through the RM's revolving funds. "Self-insurance means state provided loss protection for an agency or employee funded through RM's revolving fund.
- 26.29. "Site assessment" means the process of completing and assessing a site investigation and a feasibility study.
- 27.30. "Site investigation" means a detailed examination by an environmental contractor of an area of a building or ground suspected of being contaminated with a hazardous substance or waste, by an environmental contractor.
28. "Structural facility" means buildings, a roofed and walled structure.

R2-10-102. Reporting Procedures

- A. Agencies and providers shall report all liability claims, or incidents that may give rise to a claim against parties provided coverage pursuant to A.R.S. § 41-621 and all state property losses to RM as follows: An agency or provider shall report a property loss, liability claim, or incident that may give rise to a claim under A.R.S. § 41-621 to RM as follows:
1. Liability claims or incidents involving a A physical injury to an individual or individuals are to be reported within 1 one working day of the injury either incident orally, in writing, or by electronic means.

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2. ~~Liability claims or incidents in which property~~ Property damage is expected to exceed \$10,000 shall be reported within 1 one working day of the ~~damage, incident either orally, in writing, or by electronic means.~~
 3. ~~All state property~~ Property loss losses in which damage is expected to exceed \$10,000 shall be reported within 1 one working day of the ~~damage, incident either orally, in writing, or by electronic means.~~
 4. All other claims or incidents ~~shall be reported in writing, facsimile, or electronic mail~~ within 10 ten working days of the incident in writing, or by electronic means.
- B. ~~In addition to the above, all agencies, officers, agents or employees thereof shall immediately upon receipt forward all claims, notices summonses and complaints or other processes by any claimant(s) or their representative(s) to RM. This applies to all injuries or damages, whether real, or imagined, or alleged, and whether or not the reporting party believes there to be a factual basis for a claim, arising from the event. It is not required that contract lawsuits or other matters not covered pursuant to statute be sent to RM. An agency, officer, agent, or employee of the state receiving a claim, notice, summons, complaint or other process by any claimant or representative shall immediately forward the claim to RM. This applies to all claims for injuries or damages whether the reporting party believes there to be a factual basis for the claim, but excludes contract lawsuits or other matters not covered under A.R.S. § 41-621.~~
- C. ~~Each An agency, officer, agent, or employee and all officers, agents, and employees thereof shall cooperate in accordance with A.R.S. § 41-621(L) in all respects under A.R.S. § 41-621(M) with RM, and the Attorney General's Office and their representatives and shall provide all information and materials required for adequate investigation and resolution of claims RM requests to investigate and resolve a claim.~~
- D. ~~All reports of loss shall be submitted to RM on designated forms as follows: An agency shall submit a report of a loss on the following RM forms.~~
1. ~~All losses involving a state vehicle and/or a state driver shall be reported on the "Automobile Loss Report" form. This form requests information concerning that the agency involved, facts of the accident, information about the vehicles involved, information concerning injuries names of witnesses, and the police agency that investigated the accident. A loss involving a state-owned vehicle or a state driver on the "Automobile Loss Report". Information required includes: the agency involved, facts of the incident, the vehicles involved, description of injuries to individuals, names of witnesses, and the police agency that investigated the incident.~~
 2. ~~All losses involving either damage to property of others or injury to a member of the public as a result of alleged negligence of the state or one of its officers, agents or employees other than losses arising out of the use of a motor vehicle, shall be reported by the agency on the "General Liability Report". This form requests information concerning the agency and employees involved, facts of the incident, information concerning the claimant and the claimant's injuries, witnesses to the incident, and the name of the police agency that investigated the incident, if any. A loss involving private property damage, or injury to a member of the public as a result of alleged negligence of a state officer, agent or employee other than a loss arising out of use of a motor vehicle, on a "General Liability Report". Information including the agency and employees involved, facts of the incident, name of the claimant, and description of the claimant's injuries, witnesses to the incident, and the name of the police agency that investigated the incident.~~
 3. ~~All losses A loss to state property, whether personal property (other than motor vehicles) or real property shall be reported on the "Property Loss Report". This form requests information concerning the agency and employees involved, facts of the incident, giving rise to the loss, description of the damaged property, information concerning the party responsible for the loss, If any, names of witnesses, and the police agency investigating the loss.~~
 4. ~~All losses A loss to employee-owned property covered pursuant to under A.R.S. § 41-621(A)(4), shall be reported on the "Property Loss form Report". Information necessary to document the loss and calculate the actual dollar value of the claim is required. In addition, the employee shall submit a copy of any written agreement between the employee and the employing state agency authorizing the use of the employee-owned property on the job, and a copy of the Personal Property Inventory form (PROPINV) maintained by the employing state agency. This form requests information necessary to document the loss and calculate the actual dollar value of the claim.~~

R2-10-103. Liability Claim Procedures

- A. RM shall investigate all reported liability claims to determine coverage ~~and, RM shall~~ notify the appropriate insurance carrier, if applicable; and evaluate the merits of self-insured claims, and coordinate defense and settlements ~~pursuant to under A.R.S. § 41-621.~~
- B. State employees shall direct all contacts concerning any liability claim against the state, its agencies, officers, agents, or employees by a third party to ~~either RM, the Attorney General's office, or an independent contractors~~ contractor representing either of those offices.
- C. ~~No oral discussions, or written reports of claims, or lawsuits shall be disclosed to anyone other than state authorized personnel unless required by law or unless permission for each discussion or report is given by the Attorney General's office or RM necessary to comply with provisions of this subsection. Unless authorized by law, an agency, officer, or employee shall obtain prior approval from the Risk Manager, Attorney General's office before disclosure of oral discussions, written reports of claims, or lawsuits to anyone other than state-authorized personnel. Prior permission for each discussion or report is necessary to comply with this subsection.~~

R2-10-104. Self-Insured Property Claim Procedures

- A. All property losses within the state's self-insured retention program that are not reported to RM within one year of discovery of the incident giving rise to the loss shall not be covered. All property losses within the state's self-insured retention program, that have been reported within one year of discovery of the incident date but lack proper documentation as to the cause and amount of the loss shall not be covered. If a loss to buildings or structures requires more than one year to repair or replace, the Risk Manager may grant an extension of time to properly document the amount of the loss. RM shall not cover a property loss covered under the terms of the state's self-insurance program for state agencies if the loss is not reported to RM as required by R2-10-102(A), or is reported later than 90 days following discovery of the incident. RM shall cover a property loss only if there is proper documentation as to the cause and dollar amount of the loss. RM shall only cover those claims with documentation submitted to RM within 1 year of the date of discovery. If a loss to a building or structure requires more than one year to repair or replace, the Risk Manager may grant an extension of time to document the amount of the loss. An agency shall submit a request for an extension in writing to the Risk Manager no later than 11 months from the date of loss. The request shall contain clear justification for the delay, and a projected date of completion.
- B. RM shall investigate all reported property claims to determine coverage (and notify the appropriate excess insurance carrier if applicable) and coordinate settlements under A.R.S. § 41-621.
- ~~C.B.~~ RM or upon request, the agency involved, shall obtain competitive bids for the necessary repair or replacement. Repairs will be authorized only upon the approval of RM. RM shall authorize and approve all repair or replacement.
- ~~D.C.~~ Consulting services, when required, of architects or engineers who are advising the state on the replacement or construction of state buildings that have been partially or totally damaged (and that are to be paid for by RM funds), shall be reviewed and approved by RM. RM shall review and approve consulting services, when required of a architect or engineer who are advising the state on the repair, replacement, or construction of state buildings that have been partially or totally damaged and that are to be paid for by RM funds.

R2-10-105. Employment Discrimination Claim Procedures

- A. Upon receipt of a notice of discrimination charge of ~~discrimination~~, the agency or employee shall:
1. Within 7 days, send ~~Send~~ a copy of the charge ~~immediately~~ to RM and the Attorney General's office;
 2. Contact the Attorney General's office ~~if the agency requires~~ for any required legal assistance during the administrative process; and
 3. Provide to RM, ~~with a completed copy of the~~ any response upon completion, prior to filing. RM shall review the ~~material information contained in the response~~ and assist in resolution during the administrative process.
- B. ~~Upon receipt of the determination or A Right to Sue Letter from the appropriate administrative agency, the~~ The agency shall ~~immediately~~ provide a copy of a decision or Right to Sue Letter to RM within 7 days.

R2-10-106. State-Owned Property Coverage ~~Coverages~~ and Limitations

- A. ~~State-owned property~~ The Department provides property loss coverage to ~~for~~ state-owned buildings ~~shall be on a replacement-cost basis for items actually replaced or repaired.~~ State-owned property Property loss coverage to ~~for~~ state-owned personal property ~~shall be on a~~ is replacement cost less depreciation. ~~State personal~~ Personal property claims less than \$100 ~~shall are~~ not be covered.
- B. ~~If the state or its agencies requesting repairs or replacement of a state property loss have the facilities and qualified personnel available to repair state property, RM shall not include the cost of labor in property loss reimbursement if state employee labor cost for repair or replacement is allocated from appropriated funds RM will shall determine if work shall be performed by whether to use state employees or contractors for repair work based upon availability. Reimbursement for the cost of repair or replacement of state property shall not include the state employee's labor time, when the labor cost for the repair or the replacement is allocated from appropriated funds.~~
- C. ~~The following state-owned property shall be excluded from coverages: Roads, bridges, tunnels, dams, dikes, and retaining walls. Property loss coverage includes all state-owned property except: roads, bridges, tunnels, dams, dikes, and retaining walls.~~

R2-10-107. Liability Coverage ~~Coverages~~ and Limitations

- A. The following coverage ~~coverages~~ and limitations apply in ~~for~~ purposes of this Chapter:
1. ~~An officer, agent or employee shall be covered, within the limitations of A.R.S. § 41-621 et. Seq., while driving a state-owned or a non-state-owned vehicle in the course and scope of employment. Each agency will ensure that any one operating a state-owned vehicle or non-state-owned vehicle on state business has a valid driver's license. Coverage shall be on a primary basis for state-owned vehicle use and on an excess basis for non-state-owned vehicle use. There is no coverage provided for damage to or loss of the employee-owned vehicle.~~
 1. The Department provides liability coverage within the limitations of A.R.S. § 41-621 for an officer, agent, or employee while driving a state-owned or other vehicle in the course and scope of employment.
 - a. Each agency shall ensure that an individual operating a vehicle on state business has a valid driver's license.
 - b. Coverage shall be on a primary basis for a state-owned, leased, or rented vehicle and on an excess basis for any other vehicle.

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- c. The state shall not provide coverage for damage or loss of a personal vehicle.
2. ~~All officers, agents, or employees~~ An officer, agent, or employee operates a state-owned vehicle shall be considered within the course and scope of their employment while driving a state vehicle under the following conditions: if driving:
 - a. ~~On While driving on~~ authorized state business;
 - b. ~~To While driving to~~ and from work;
 - c. ~~To While driving to~~ and from lunch on a working day; and
 - d. ~~While driving outside the geographical area of regular employment on authorized state travel.~~
 - e. ~~While driving at any other specifically state authorized time outside regular employment hours.~~
 - d.f. ~~To While driving to~~ and from meals while on out-of-town travel.
3. ~~There is no coverage for an employee while driving a state or non state owned vehicle outside the course and scope of employment.~~
- 3.4. ~~An officer, agent, or employee will not be considered~~ does not operate a personal vehicle within the course and scope of employment when driving: while driving a non state owned vehicle.
 - a. ~~To While driving to~~ and from work;
 - b. ~~To While driving to~~ and from lunch in the area of employment and not on authorized state business. ~~officially authorized state business.~~
 - c. ~~On While driving on~~ other than state-authorized business.
- B. ~~Volunteers~~ A volunteer acting at the direction of a state officials, and within the course and scope of their state-authorized activities, is covered ~~come within state coverage under pursuant to statute A.R.S. § 41-621.~~
- C. ~~Claims alleging civil rights violations~~ A claim alleging a civil rights violation is ~~shall be covered through RM, except there is no coverage for payment of that portion of a settlement or judgment for position status adjustments.~~
- D. ~~If an employee's~~ The state shall cover an agent, officer, or employee for liability on an excess basis while using the agent, officer, or employee's personal aircraft is used while acting within the course and scope of employment with the state, aircraft liability coverage shall be provided by RM under the following guidelines:
 1. ~~Coverage shall be on an excess basis for an employee's personal aircraft.~~
 - 1.2. ~~An agent, officer, or employee shall be required to carry a minimum of \$1,000,000 in aircraft liability coverage. On their personal aircraft.~~
 - 2.3. ~~An RM shall approve an agent, officer, or employee pilot shall be on record and approved by RM prior to flying on state business. To obtain this approval, an agent, officer, or employee~~ Employees shall complete a RM pilot application requesting form that requests the pilot's name, airman's certificate number, driver's license number, aircraft description, rating and flying hours, and return submit it to RM for review along with a certificate of insurance evidencing the required limits of coverage on a personal aircraft. An To maintain RM approval, an agent, officer, or employee pilot shall submit an updated pilot application form and certificate of insurance shall be required annually.
 3. RM shall send a letter to an agent, officer, or employee approving or rejecting an application to fly a personal aircraft on state business. The approval letter shall be presented to the appropriate department head and a copy sent to the agency's loss prevention coordinator.
 4. An agent, officer, or employee shall maintain a current FAA pilot certification. issued by the FAA.
 5. An agent, officer, or employee shall meet the pilot warranties as indicated in the aircraft insurance policy owned by the state. and available through RM.
 6. An agent, officer, or employee shall hold all licenses, certificates, endorsements, and other qualifications, including proficiency checks, and recent experience, required by the FAA, or other federal, state, or local statutes and rules to act as pilot-in-command or as a required crew member for the aircraft being flown. The pilot-in-command shall meet current requirements for carrying passengers.
 7. ~~Use of non state owned aircraft is limited to authorized activity which is in the course~~ Course and scope of employment with the state does not include: No coverage is available for the following uses:
 - a. Personal use of an aircraft;
 - b. ~~Aircraft~~ An aircraft for hire, reward, or commercial use;
 - c. Agricultural operations;
 - d. ~~External~~ Carrying external loads; or
 - e. ~~Aerial~~ Performing aerial acrobatics.
 8. ~~The seating capacity~~ An agent, officer, or employee shall carry no more passengers on an aircraft is limited as outlined than the number defined in the aircraft insurance policy purchased by RM.
 9. ~~No coverage is provided for~~ The Department shall not cover damage or loss of the agent, officer, or employee-owned aircraft.
 10. ~~A letter shall be sent to the employee from RM approving or rejecting an application to fly on state business. The approval letter shall be presented to the appropriate department head and a copy sent to the agency's loss control coordinator.~~

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~~10.11. If a non-state employee piloting an employee-owned aircraft on behalf of a state employee on authorized state business, all guidelines listed above shall apply. The guidelines in this Section apply to a non-state employee pilot flying on behalf of an agent, officer, or employee on authorized state business.~~

~~11.12. All aircraft used for state business by state employees or non-state employees as an agent of the state shall comply with meet all statutes and rules of the FAA and other federal, state, and local jurisdictions for flight.~~

R2-10-108. Deductibles and Waivers

A. Liability judgments and claim settlements.

1. ~~Each agency shall be charged~~ The Department shall charge each agency a deductible of \$10,000 on each court judgment of \$150,000 or more and on each claim approved for settlement by the joint legislative budget committee under JLBC rule 14, State Liability Claims (April 25, 1997), which is incorporated by reference and on file with the Department and the Office of the Secretary of State. This incorporation by reference contains no future editions or amendments.
2. RM shall waive the deductible ~~under the following conditions: if the agency provides a response to RM containing a plan of action to be taken to eliminate or limit similar future risk of liability to the state, and:~~
 - a. ~~The agency provides a response to RM, in the form of a plan, as to the actions to be taken to eliminate or limit similar future risk of liability to the state; and~~
 - a.b. The plan of action is submitted as supportive detail to the agency's official JLBC rule 14 response, or is provided to RM within 60 days of the judgment or settlement date; ~~and~~
 - b.e. RM approves the plan of action as reasonable and effective; and
 - c.d. The agency implements the plan ~~is implemented by the agency~~ within 30 days of RM approval, and the agency provides brief monthly status reports on the ~~essence~~ essential elements of the plan's implementation.
3. If the agency fails to ~~respond as~~ comply with all the conditions outlined in subsection (A)(2), RM shall charge a deductible of \$10,000 on the subject judgment or claim as well as each subsequent claim resulting from that cause or exposure until ~~all conditions of the waiver have been met. the agency fully complies with subsection (A)(2).~~

B. Worker's compensation claims.

1. Beginning January 1, 1999 ~~RM shall charge each agency shall be charged~~ a deductible on each workers' compensation claim ~~not reported the agency fails to report to RM within 10 days of the occurrence being reported by the employee to their supervisor, or other agency representatives after an employee notifies the employee's supervisor, or other agency representative of an injury.~~ The deductible amount of the claim shall be equal to 20% of the total claim, not to exceed \$10,000.
2. RM shall waive the deductible on all of the agency's workers' compensation claims reported after the 10-day period, except those identified in subsection (C), if the agency meets the following criteria:
 - a. In calendar year 1998, the agency reports 50% of all occurrences of industrial injury or illness within 2 days 48 hours of being reported by ~~the an~~ employee to ~~their the employee's~~ supervisor, or other agency ~~representatives representative.~~ ~~The To make this computation for the criteria RM shall use will be on a rolling 12-month average and apply the deductible will be applicable to claims filed during the individual months of 1999.~~
 - b. In calendar year 1999, the agency reports 66% of all occurrences of industrial injury or illness within 2 days 48 hours of being reported by ~~the an~~ employee to ~~their the employee's~~ supervisor, or other agency ~~representatives representative.~~ ~~To make this The computation for the criteria RM shall use will be on a rolling 12-month average, and apply the deductible will be applicable to claims filed during the individual months of 2000.~~
 - c. In calendar year 2000, and all years forward, the agency reports 75% of all occurrences of industrial injury or illness within 2 days 48 hours of being reported by ~~the an~~ employee to ~~their the employee's~~ supervisor, or other agency ~~representatives representative.~~ ~~To make this The computation for the criteria will be on RM shall use will be on a rolling 12-month average, and apply the deductible will be applicable to claims filed during the individual months of 2001 and all years forward.~~

C. Loss prevention opportunities.

1. ~~Each agency shall be charged~~ RM shall charge each agency a deductible of not more than \$10,000 on each claim resulting from the exposure that is identified and agreed upon by the agency and RM to have RM and the agency identify and agree has the most significant opportunity for reduction through loss prevention actions (significant exposure). Each year the agency and RM shall identify and agree upon the significant exposure to be selected under this plan.
2. RM shall waive all deductibles against ~~an the~~ agency, except those stated in subsections (A) and (B) under the following conditions:
 - a. The agency prepares a plan approved by its agency head to address the significant exposure with specific loss prevention actions; ~~and~~
 - b. ~~Submits~~ The agency submits the plan for RM for review by October 31 for the current fiscal year; ~~and~~
 - c. RM approves the plan as reasonable and effective; ~~and~~
 - d. The agency implements the plan; and

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- e. ~~Submits~~ The agency submits a brief report to RM on a quarterly basis ~~as to the essence of describing the progress~~ on the implementation of the plan.
- 3. If the agency fails to meet ~~all of the conditions in of~~ subsection (C)(2), ~~RM shall charge~~ a deductible of not more than \$10,000 ~~shall be charged on each claim resulting from the significant exposure until the agency meets all conditions of the waiver have been met, in subsection (C)(2).~~
- 4. RM may exempt an agency from the requirements of subsection (C).
- D. ~~If disputes arise a dispute arises~~ between RM and the agency pertaining to this ~~section, one~~ Section, 1 or more meetings ~~will shall~~ be held at progressively upward, incremental Department of Administration management levels until ~~the agency and RM reach a solution. is reached.~~
- E. ~~RM may shall have the right to~~ waive any deductible to any agency for just cause. Just cause exists when the application of a deductible is not warranted due to the circumstances of the claim, or it is ~~otherwise in the best interests-interest~~ of the state.

R2-10-109. Computation of Time

In computing any period of time prescribed or allowed in this Chapter, the day from which the designated period begins to run shall not be included. The last day of the period shall be included unless it is a Saturday, Sunday or legal state holiday. When the period of time is less than 7 days, intermediate Saturdays, Sundays, and legal state holidays shall be excluded in the computation.

ARTICLE 2. LOSS PREVENTION

R2-10-201. Submission of Building Plans

~~All agencies notify RM of any newly planned If an agency anticipates the cost to construct, alter, or repair building construction, alteration, or repair to a state-owned or leased buildings in which the cost is anticipated to exceed \$25,000, the agency shall submit building plans to RM prior to the a pre-planning conference with an the architect to allow RM to offer recommendations for improved loss control prevention measures.~~

R2-10-202. Purchase of Specialized Hazard Control ~~Personal Property~~ Equipment

~~All agencies shall notify RM prior to the purchase of any specialized hazard control equipment in order to verify specifications and determine that the equipment is approved for and shall properly perform its specialized function. RM shall notify the state or agency procurement officer of any recommended changes within ten working days after notification of intent to purchase is received by RM.~~

- A. An agency shall notify the RM Loss Prevention Manager prior to starting the procurement process for any specialized safety or security equipment or system exceeding \$10,000. RM shall assist each agency to determine whether the equipment or system will adequately perform its specialized function and is in compliance with applicable codes.
- B. RM shall submit any comments or recommendations regarding specialized safety or security equipment or system to the agency within 10 days from the date RM receives notification of a planned procurement.

R2-10-203. Hazard Reporting of Hazards

~~Any agency, officer, agent, or employee thereof shall advise their a supervisor, loss control prevention coordinator, or loss control prevention committee chairman chairperson of any suspected or potential hazards that may warrant require inspection, and investigation, to determine if a hazard exists or requires action to correct. A supervisor shall report an identified hazards that cannot be corrected by responsible agency personnel shall be reported to the agency head. RM shall be notified The agency head shall notify RM of any hazards hazard that cannot be corrected by the agency, or those requiring that require further evaluation and assessment before corrective action can be taken.~~

R2-10-204. RM Loss Prevention Consultative Services ~~Recommendations for Hazard Control~~

- A. The Risk Manager shall schedule and conduct evaluations and assessments of evaluate, and assess each state agency's loss control prevention program and facilities to assist in identifying-identify program deficiencies or hazardous conditions that might lead to loss, losses. Following an evaluation or assessment, RM shall submit a written report to the agency head or and loss control prevention coordinator, with giving findings and providing recommendations to eliminate or control physical hazards or to correct unsafe practices and procedures. The recommendations shall be reviewed by the agency to determine cost feasibility and integration into agency plans, and RM shall be notified of corrective action taken.
- B. Agencies An agency shall respond in writing to RM recommendations detailing the agency's corrective action plan within 60 days, whether or not corrective action has been completed by the agency. The agency shall review the recommendations to determine cost feasibility and integration into agency plans. The agency shall notify RM of the corrective action it intends to take. Agencies will An agency shall report in writing every 30 days thereafter until corrective action has been taken the agency completes corrective action or until Risk Management determines has determined the agency has taken all reasonable corrective action. has been taken. Reports sent to an agency by RM in response to a hazard assessment requested by an agency do not require a response to RM as outlined above.
- C. Subsection (B) does not apply to an RM recommendation in response to an agency request for a hazard assessment.

R2-10-205. Development and Implementation of Agency Loss Prevention Control Programs

- A. ~~Each~~ An agency head shall develop and implement an agency loss prevention control program that ~~shall integrate~~ integrates loss control prevention and safety policy into all agency activities. The agency shall incorporate into the loss control prevention program the requirements of this Section, rule, and the requirements of applicable state and federal standards. ~~The agency's loss control program shall encompass not only state worker and property protection measures, and but shall also include programs, practices, and procedures to protect the state from third party liability claims.~~
- ~~B.~~ Where agency losses have occurred or may occur as the result of accidents, injuries, or third party liability claims, and federal and state rules, or National Consensus Standards have not been developed, or do not apply to protect the state from such losses, the agency head in coordination with RM shall develop and implement policies, practices, and procedures to reduce the frequency and severity of such future loss events.
- ~~B.~~ An agency head, in coordination with RM, shall develop and implement policies, practices, and procedures to reduce the frequency and severity of a future incident if:
 - 1. The agency has or may have a loss; and
 - 2. Federal or state rules, or National Consensus Standards have not been developed, or do not apply to protect the state from such losses.
- C. RM shall publish criteria and program information as guidance to ~~agencies~~ an agency to use in ~~their~~ its loss control ~~programs~~ prevention program, and shall ~~provide interpretation and explanation of~~ interpret and explain state, federal and National Consensus Standards ~~when required.~~

R2-10-206. Agency Loss Prevention Control Program Management

- A. ~~Each~~ An agency shall ~~prepare and issue in writing~~ a policy letter to all agency employees expressing the ~~agencies~~ agency commitment to ~~programs and practices to prevent or control losses. The letter shall solicit the support by all of agency personnel of to the goals and objectives of loss control prevention. and The agency shall include the letter be included in the agency loss control prevention program document and made which shall be available for review by all agency personnel.~~
- ~~B.~~ Each agency shall hire loss control and safety professionals or shall appoint employees to conduct and coordinate the agency's loss control program. The loss control coordinator shall be an ex-officio member of the agency's loss control committee. An agency head shall appoint a qualified management level or professional employee as loss prevention coordinator. The loss prevention coordinator shall conduct and coordinate the agency's loss prevention program. The loss prevention coordinator shall be an ex-officio member of the agency's loss prevention committee and report to the agency head on matters pertaining to administration of the loss prevention program and safety within the agency. The loss prevention coordinator interprets and applies policies and procedures, chairs and coordinates the agency safety committee, reviews agency loss claims, and makes recommendations to prevent future losses. The loss prevention coordinator shall provide technical information to employees and agency management concerning Arizona Department of Safety and Health (ADOSH) and Arizona Department of Environmental Quality (ADEQ) requirements as well as RM policies, procedures, and the rules in this Chapter.
- C. Each agency shall establish an agency loss ~~control prevention~~ prevention committee to develop, implement, and monitor the agency's loss ~~control prevention~~ prevention program. ~~Personnel appointed to the committee shall be~~ The agency shall appoint to the committee management level personnel representing each major division within the agency. Agencies An agency with multi-level organizational structures shall ensure that committee membership is representative of the functional and geographical divisions of the agency.
- ~~D.~~ Each agency shall provide safety and loss control education and training programs regarding worker safety, property protection and liability exposure to each employee. Training shall emphasize safe methods and procedures to prevent mishaps, protect employees and property, and prevent liability exposures. The training program shall also include agency-specific information, such as emergency plans and actions, and first aid. Loss control and safety educational training shall also be provided to employees performing tasks where frequent or severe accidents have occurred or where there is a potential for frequent or severe accidents. The programs shall include such mandatory training specified under OSHA, 29 CFR 1920 with amendments as of September 5, 1989, incorporated herein by reference and on file with the Office of the Secretary of State.

R2-10-207. Mandatory Agency Loss Prevention Control Program Elements

- A. If the job description or actual duties of the employee include loss control responsibilities, loss control responsibilities and standards shall be included as a part of the employee's performance evaluation.
- B. Each agency shall develop procedures for reporting and reviewing accidents and incidents involving personnel, property, automobile, liability, industrial, environmental and other mishaps to the agency's loss control coordinator or loss control committee. The loss control coordinator and loss control committee shall review accidents and incidents and identify the corrective action required to prevent recurrence.
- C. Procedures for the investigation, reporting, and records maintenance of work-related incidents shall include:
 - 1. Timely and accurate reporting of all work-related incidents.

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2. Investigation of all incidents in order to gather pertinent information, determine causes, and recommend solutions to prevent recurrence of similar incidents.
 3. Compilation, analysis and evaluation of all incident data to determine the frequency, severity and location of incidents and communication of the information to appropriate management personnel.
 4. Maintenance of records of employee injuries pursuant to A.A.C. R4-13-631 et seq.
- D.** Each agency shall develop an emergency plan for each agency location. The plan shall include procedures to follow in the event of serious injury, fire, or other emergencies that can be reasonably foreseen at the specific agency location. The plan shall include the following:
1. Designated employee(s) responsible for formulating, implementing, testing and maintaining the emergency plan;
 2. Written procedures for notification of emergency personnel and safe evacuation of people, including an evacuation diagram that shall be visibly posted throughout each location;
 3. Provide or arrange for first aid, medical treatment and emergency transportation in the event of serious injury; and
 4. Provide for periodic tests and evaluation of the plan and correction of identified deficiencies.
- E.** Each agency shall develop procedures for scheduled routine safety inspections of buildings, grounds, equipment, machinery work practices and procedures. Results of all inspections shall be documented and deficiencies noted shall be forwarded to the loss control coordinator for corrective action. Follow up on inspection recommendations shall be made by the agency loss control committee or coordinator to ensure action is being taken to remedy any noted deficiencies. Deficiencies not corrected shall be brought to the attention of the agency head.
- F.** Each agency shall develop an industrial hygiene program that encompasses existing or potential health hazards with the agency, or to which agency personnel may be exposed during the course of work. The program shall include a documented survey of agency facilities and work practices to identify areas of concern such as noise, air contaminants, ergonomic factors, lighting, confined spaces, etc., and shall include procedures to notify employees of health hazards, medical monitoring when applicable, and personal protective equipment requirements, to include training, fit testing, and care. The industrial hygiene program shall include the following additional program elements as applicable:
1. Hazard communications, including securing and maintaining Material Safety Data Sheets (MSDS);
 2. Laboratory safety (Chemical Hygiene Plan);
 3. Hearing conservation;
 4. Confined space entry;
 5. Handling and disposal of hazardous waste;
 6. Back protection;
 7. Ergonomic programs;
 8. Asbestos operations and maintenance (O & M) programs; and
 9. Building air quality.
- G.** An agency shall develop an environmental protection program that includes:
1. A plan to ensure compliance with all applicable local, state and federal environment laws and regulations.
 2. Identification of equipment, processes and practices that may cause water pollution, air pollution, or land and property contamination.
 3. Procedures and processes to prevent or control emissions and discharges in excess of local, state, and federal laws and regulations; and
 4. Plans, programs, and procedures to investigate, report, and remediate any discharges or contamination in excess of local, state, or federal laws and regulations.
- H.** An agency shall develop facility and equipment operational and maintenance procedures that include:
1. A preventive maintenance program including a written schedule of routine inspection, adjustment, cleaning, lubrication, and testing of equipment including but not limited to, boilers and machinery, fire protection, security, and emergency equipment.
 2. Safety procedures such as "lockout tagout" and "buddy procedures" for jobs subject to serious accidents including, but not limited to, working in confined spaces, operating dangerous equipment and machinery, and working on electrical equipment.
 3. Personal protective equipment requirements for specific jobs and areas, including training on proper fit, use, care, maintenance, inspection, cleaning, and storage of all personal protective equipment.
- I.** Each agency shall develop a motor fleet safety program for employees operating a state or non-state owned vehicle on state business, including:
1. Standards to ensure that employees who drive on state business are capable of operating a vehicle in a safe manner and are currently licensed to drive a motor vehicle in the State of Arizona;
 2. Instruction in safe vehicle operation and defensive driving techniques;
 3. Mandatory use of seat belts on those vehicles designed or retrofitted with seat belts;
 4. A maintenance log of all state vehicles to assure their safe operating conditions;
 5. Review of vehicular accidents by the agency loss control committee or by a committee appointed by the agency head to specifically review vehicular accidents and recommend corrective action to prevent recurrence; and

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6. A review of the driving record of all employees who are authorized to drive a state vehicle or operate a private vehicle on state business. All employees operating a state-owned vehicle or operating a non-state-owned on state business shall upon request provide their agency loss control coordinator, personnel representative, supervisor, fleet manager, or RM with their name, date of birth, driver's license number, and its expiration date.
- ~~J.~~ Each agency shall develop safety and security standards for construction sites, including:
 1. Site specific safety rules and procedures to deal with the types of risks expected to be encountered on the site;
 2. Routine inspections of construction sites to ensure compliance with applicable local, state, and federal safety laws and regulations;
 3. Training of employees in safe practices and procedures;
 4. Availability of first aid, medical, and emergency equipment and services at the construction site, including arrangements for emergency transportation; and
 5. Security procedures to prevent theft, vandalism, and other losses at the construction site.
- ~~K.~~ Each agency shall develop systems and procedures to protect the personal security of employees and prevent losses to state property. Systems and procedures may include but are not limited to:
 1. Security escorts, exterior lighting, identification badges, and electronic access systems for protection of employees;
 2. Labeling systems, inventory control procedures, property removal procedures, and key control systems to prevent loss of state property; and
 3. Building and ground security systems, such as alarm systems, electronic surveillance, perimeter fencing, and security patrol services to prevent theft and vandalism of state property.
- ~~L.~~ Each agency shall develop a Fire Protection Program that meets the standards described in the Arizona State Fire Code, adopted pursuant to A.R.S. § 41-2146. C. And set forth in A.A.C. R4-34-1101 and that contains the program elements outlined in this Article and detailed in the Fire Protection Manuals (1990 edition) for state agencies, distributed by RM. The Fire Protection Manual is incorporated herein by reference and is on file with the Office of the Secretary of State. Each agency loss prevention committee shall develop, implement, and monitor the following loss prevention program elements of an occupational health and safety program (as applicable to their agency):
 1. The agency loss prevention policy statement;
 2. New employee and continuous in-service training programs that include:
 - a. Safety and loss prevention education regarding property protection, liability exposure, and workplace safety;
 - b. Agency-specific safety training regarding emergency plans, actions, and first-aid; and
 - c. Job-specific safety training to employees performing tasks where:
 - i. Frequent or severe accidents have occurred; or
 - ii. There is a potential for frequent or severe accidents.
 3. Documentation and recordkeeping of employee training;
 4. An emergency plan for each agency location that establishes procedures to follow in the event of serious injury, fire, or other emergency that can be reasonably foreseen at the specific agency location. The emergency plan shall:
 - a. Designate an employee responsible for formulating, implementing, testing, and maintaining the emergency plan;
 - b. Contain procedures for notification of emergency response personnel and safe evacuation of personnel from the location, including an evacuation diagram that shall be visibly posted throughout each location;
 - c. Contain procedures for obtaining first-aid, medical treatment, and emergency transportation in the event of serious injury; and
 - d. Require that the plan be periodically tested and evaluated and identified deficiencies corrected;
 5. Procedures for scheduled safety inspections of buildings, grounds, equipment, and machinery. An agency shall document the results of each inspection and forward notice of any deficiencies to the loss prevention coordinator for corrective action. The agency loss prevention committee or coordinator shall follow-up on inspection recommendations to ensure action is taken to remedy a noted deficiency. The agency loss prevention committee or coordinator shall bring an uncorrected deficiency to the attention of the agency head;
 6. Procedures for accident and incident investigations:
 - a. An agency shall develop procedures for reporting an accident or incident involving personnel, property, automobile, liability, industrial injury, environmental damage, and a mishap or near miss to the agency's loss prevention coordinator or loss prevention committee. The loss prevention coordinator and loss prevention committee shall review the accident and incident reports and identify the corrective action necessary to prevent recurrence;
 - b. Procedures for reporting, investigating, and recording maintenance of a work-related accident or incident shall include:
 - i. Timely and accurate reporting of each work-related accident or incident;
 - ii. Investigation of each accident or incident to gather pertinent information, determine cause, and recommend a solution to prevent recurrence of a similar accident or incident;
 - iii. Compiling, analyzing, and evaluating all data derived from the investigation to determine the frequency, severity, and location of an accident or incident and communicating the information to appropriate agency personnel; and

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- iv. Maintaining records of employee injury under A.A.C. R20-5-631 through R20-5-636;
7. A maintenance program for state-owned vehicles, equipment, and grounds under the control of that agency that includes:
 - a. A preventive maintenance program with a written schedule of routine inspection, adjustment, cleaning, lubrication, and testing of equipment including boilers and machinery, fire protection, security and emergency equipment, and motor vehicles;
 - b. Safety procedures such as “lock-out-tagout” and “buddy procedures” for jobs subject to a serious accident such as those involving working in a confined space, operating dangerous equipment and machinery, and working on electrical equipment; and
 - c. Personal protective equipment for a specific job or area including training on proper fit, use, care, maintenance, inspection, cleaning, and storage;
 8. A fire protection program that meets the standards described in the Arizona State Fire Code contained in the Fire Protection Manual 1990 edition which is incorporated by reference and on file with the Department and the Office of the Secretary of State;
 9. Systems and procedures to protect the personal security of each employee and prevent loss of or damage to state property, including:
 - a. Security escorts, exterior lighting, identification badges, and electronic access systems;
 - b. Labeling systems, inventory control procedures, property removal procedures, and key control systems; and
 - c. Building and ground security systems, alarms systems, electronic surveillance, perimeter fencing, and security patrol services.
 10. A land, facility, equipment, or process environmental protection program that includes:
 - a. Procedures to ensure compliance with all applicable local, state, and federal environmental laws;
 - b. Identification of equipment, processes, and practices that may cause water pollution, air pollution, or land and property contamination;
 - c. Procedures to prevent or control emissions and discharges in excess of local, state, and federal laws and rules; and
 - d. Procedures to investigate, report, and remediate any discharge or contamination in excess of local, state, or federal laws and rules;
 11. An industrial hygiene program that encompasses an existing or potential health hazard within an agency, or that agency personnel may be exposed to during the course of work. The program shall include a documented survey of agency facilities and work practices to identify areas of concern such as noise, air contamination, ergonomic factors, lighting and confined spaces. The program shall include procedures to notify employees of health hazards, medical monitoring when applicable, and personal protective equipment requirements including training, fit testing, and care. The industrial hygiene program shall include the following program elements as applicable:
 - a. Hazard communication;
 - b. Laboratory safety (Chemical Hygiene Plan);
 - c. Hearing conservation;
 - d. Confined space entry;
 - e. Handling and disposing of hazardous waste;
 - f. Back protection;
 - g. Ergonomics;
 - h. Asbestos management;
 - i. Building air quality;
 - j. Chemical exposure assessment;
 - k. Personal protective equipment;
 - l. Respiratory protection;
 - m. Bloodborne pathogen protection; and
 - n. Tuberculosis protection;
 12. A motor fleet safety program for an employee operating a state or other vehicle on state business that includes:
 - a. Standards to ensure that an employee who drives on state business is capable of operating a vehicle in a safe manner and is currently licensed to operate a motor vehicle in Arizona;
 - b. Instruction in safe vehicle operation and defensive driving techniques;
 - c. Mandatory use of seat belts;
 - d. A log of the maintenance on each state vehicle.
 - e. Review of a vehicular accident by the agency loss prevention committee or by a committee appointed by the agency head to review vehicular accidents and recommend corrective action to prevent recurrence,
 - f. Review of the driving record of any agency employee who is authorized to drive state vehicles or other vehicles on state business. Each employee operating a state or other vehicle on state business shall upon request, provide

the agency loss prevention coordinator, personnel representative, supervisor, fleet manager, or RM with the employees name, date of birth, driver's license number, and expiration date, and;

- g. A training program for any driver of a passenger van designed for occupancy of 8 to 15 people. The program shall include classroom instruction, behind-the-wheel instruction (on the road or on a closed course), and a certificate of completion to be filed with the agency's fleet management.

13. A safety and security standard for a construction site where state employees work, that include:

- a. Site-specific safety rules and procedures for the type of risks expected to be encountered on the site;
- b. Routine inspection of construction sites to ensure compliance with local, state, and federal safety laws and rules;
- c. Training of each employee in safe practices and procedures;
- d. Availability of first-aid, medical, and emergency equipment and services at the construction site, including arrangements for emergency transportation;
- e. Procedures to prevent theft, vandalism, and other losses at the construction site; and
- f. Periodic testing and evaluation of the plan and correction of identified deficiencies.